Chronicle OCT 4 1973

State Board To Reassess Nixon Home

Santa Ana [illegible]

[illegible]

Yesterday's decision [illegible] in the state assessors fell along party lines. Supervisors Battin, Ralph Dietrich and Ralph Clark all democrats, voted in favor of the move, while Republicans Ronald Caspers and David Baker voted against it.

Associated Press

SF Chronicle OCT 4 1973

Nixon Taxes—New Report

Washington

The White House refused to confirm or deny yesterday a report that President and Mrs. Nixon had paid less than $800 in federal income taxes in 1970 and less than $900 in 1971, despite an income in excess of $200,000 a year.

Assertions that the Nixons paid these modest amounts of income tax — less than the average family's — were published yesterday by the Providence (R.I.) Journal-Bulletin.

The newspaper said that documents provided by [illegible] showed that the Nixons paid [illegible] in federal income taxes in 1970 and [illegible] in 1971.

That was about the same tax as would have been paid by a family of [illegible] with an income [illegible]

[illegible]

[illegible] the President, presumably that he may have paid on the quarterly return of estimated taxes that is supposed to be filed by married couples

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[illegible] with [illegible] income of [illegible] or more.

If the Nixons were claiming three personal exemptions in those years — probably were because their oldest daughter, Tricia, was living with them and unmarried until June, 1971 — $67,181.02 would have been withheld from the President's paycheck for federal income taxes.

The fact the reported refund for 1970 was larger than the amount that was presumably withheld indicated that the Nixons had paid some additional tax on their quarterly estimate. This might have occurred because they did not realize, early in the year, what huge deductions they would claim that would almost completely wipe out their tax liability.

Deputy White House Press Secretary Gerald L. Warren refused to make any substantive response to the Journal-Bulletin article.

He repeated, in essence, what Mr. Nixon himself and Warren have said on the subject before, that the President had "followed normal procedures" in filing his income taxes in the years in question and that his returns for 1971 and 1972 had received "a complete audit" and were accepted as filed without change.

No information about who did the audits has been made public. The Internal Revenue Service, as a matter of policy, would not even confirm Mr. Nixon's statement that he had been audited.

Tax [illegible] outside the [illegible] that the [illegible] by the [illegible] of what is [illegible] the [illegible] they claimed [illegible] appeared [illegible] in 1970 and 1971.

[illegible] of the deductions has not been questioned [illegible]. These are the deductions for the interest payments on the loans the Nixons made to finance their purchases of property in San Clemente, Calif., and Key Biscayne, Fla.

The legality of the largest single deduction has been challenged, however, by a public-interest law group, tax analysts and advocates.

This was a deduction of $570,000, spread over several years, which the White House has said the Nixons were taking as the value of their gift of Mr. Nixon's vice-presidential papers to the National Archives.

Deductions for such gifts were disallowed by a [illegible]

[illegible] Nixon [illegible] lysts [illegible] dence [illegible]

The Journal-Bulletin article stated [illegible] newspaper had not seen the Nixons' tax return, which is kept, along with the returns of all presidents back to the first who had to pay an income tax, Woodrow Wilson, in a safe just outside the office of the Commissioner of Internal Revenue.

Persons familiar with Internal Revenue procedures said that the two [illegible] pieces of information on taxes paid by the [illegible] and the refunds [illegible] ceived would be [illegible] Internal Revenue [illegible] by name.

A number of [illegible] each of several [illegible] would have access [illegible] formation, they [illegible] Internal Revenue [illegible] employee who disclosed [illegible] information would be violating the law and subject [illegible] jail sentence of one year [illegible] a fine of $1000. The [illegible] same penalties [illegible] disclosure of [illegible] tion on any individual's [illegible] return.

The article in the [illegible] tin-Journal supported the assertion of an anonymous White House official [illegible] said last month [illegible] President and Mrs. [illegible] had paid some [illegible] come tax every [illegible] presidency.

The Baltimore [illegible] New York Times [illegible] published articles [illegible] that while it [illegible] what taxes the [illegible] the deductions [illegible] presumed to [illegible] would have [illegible] entire tax [illegible] and possibly [illegible]